

Mozambique's LNG projects ready for implementation

The latest final investment decision (FID) on Mozambique's \$20bn Anadarko liquified natural gas (LNG) project makes it the largest sanction ever in sub-Saharan Africa oil and gas sector.



This is not the only mega-LNG project on the drawing board. ExxonMobil's Rovuma LNG project, which envisages a 15-million tpa two-train facility taking gas from its offshore area 4 block, is also lined up to take FID. Meanwhile, Italy's ENI is already moving ahead with its 3.4-million tpa floating LNG facility, which will draw on 5 TCF of gas in waters more than 2,000 metres deep with first gas due in mid-2022.

State revenue from Mozambique LNG alone will reach \$3bn per annum, single-handedly doubling today's revenue as calculated by the IMF and World Bank by the 2030s.

"With strong LNG demand growth out of Asia, now is Mozambique's time," said Jon Lawrence, an analyst with Wood Mackenzie's sub-Saharan Africa upstream team, as news broke of the Anadarko FID.

With FIDs signed, the projects are now moving from the planning into the implementation phase. Hundreds of contracts are expected to be tendered for the construction, infrastructure and services needed to build and develop the megaprojects.

More recently, Mozambique Rovuma Venture (MRV) Area 4 operator decided to move ahead with the midstream and upstream project activities of over \$500m as initial investments. These investments include activities such as the

construction of the pioneer camp, the development of resettlement activities, the construction of the airstrip and access roads, as well as the start of detailed LNG facility engineering project.

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